

Dear Colleague

STRATEGY TO COMBAT NHS FRAUD IN SCOTLAND

Summary

1. This letter informs NHSScotland bodies of the issuing by the Scottish Government of an updated strategy to combat NHS fraud and asks them to take specific actions in relation to this.

Background

2. The Scottish Government has issued an updated strategy to counter NHS fraud in Scotland. The new strategy builds on the previous version, developing it further. There are new elements to tackle the minority of people who defraud the NHS, including the identification of counter fraud champions within NHS bodies to further heighten fraud awareness and underscore the counter fraud message. The potential interaction between these champions and both audit committees and fraud liaison officers is outlined in the attached Annex which will also be included in an update of the Partnership Agreement between NHSScotland Counter Fraud Services (the CFS) and NHS Boards.

3. The strategy outlines initiatives being undertaken currently by the CFS. Some of these are in partnership with NHS HR managers to develop fraud awareness material, including an e-learning package for use in induction and continuing training of staff and a DVD to assist managers in understanding how they should act when presented with potentially fraudulent activity. The e-learning package is being piloted in early 2008 and will be rolled out to all NHS Scotland bodies thereafter. The DVD is at the design stage and will be issued to Boards during 2008.

The CFS are also in the process of initiating pilot projects within NHS Bodies whereby a local CFS presence will be established.

4. Copies of the strategy will be issued to Chief Executives, Chief Internal Auditors, Fraud Liaison Officers, HR Directors and Finance Directors within NHSScotland bodies and to a range of other organisations with an interest in countering NHS fraud. Further copies are being made available on the Scottish Government's website at:
<http://www.scotland.gov.uk/Publications/2008/01/10154828/0>.

28 January 2008

Addresses

For action

Chief Executives and HR Directors,
NHS Boards and special Health Boards

Chief Executive and HR Director, NHS
National Services Scotland

Head of Service, NHSScotland Counter
Fraud Services

For information

Chairs, Audit Committees, NHS Boards
and special Health Boards
Directors of Finance, NHS Boards and
special Health Boards
Fraud Liaison Officers, NHS Boards and
special Health Boards
Chief Internal Auditors, NHS Boards and
special Health Boards
Employee Directors, NHS Boards and
special Health Boards

Auditor General

Association of Chief Police Officers
(Scotland)

Enquiries to:

Senga Robertson
Scottish Government
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1 East Rear
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<http://www.scotland.gov.uk>

5. From 1 April 2008, SGHD will introduce enhanced reporting of frauds and potential frauds against the NHS. Work is currently progressing on this and further information will be issued shortly.

Action

6. Chief Executives of NHS Boards and special Health Boards are asked to:

read the strategy, disseminate its contents to all staff within their Boards and take action as appropriate in accordance with it;

ensure that their Audit Committees are aware of the strategy;

encourage staff to attend fraud awareness sessions organised in association with the CFS and to use the e-learning package;

identify an NHS counter fraud champion within their Board at either senior manager or non-executive director level and provide SGHD and the CFS with details of these; and

note that further information on enhanced reporting, from 1 April 2008, of frauds and potential frauds against the NHS will be issued in due course.

7. HR Directors of NHS Boards and special Health Boards are asked to:

work with the CFS on the production of the DVD outlined in paragraph 3 above;

work with the CFS on fraud awareness material for inclusion in the induction training of new staff and the continuing training of existing staff; and

ensure that fraud awareness material is included in induction packages for new staff members.

8. The CFS are asked to nominate, as part of the process of enhancing the counter fraud message at local level, a member of staff to have responsibility for developing local networks in agreement with each NHS body.

9. The names and other details of the counter fraud champions identified by Boards should be forwarded to Senga Robertson, SGHD, 1 East Rear, St Andrews House, Regent Road, Edinburgh EH1 3DG and to Maggie Worsfold, NHSScotland Counter Fraud Services, Earliston House, Almondvale Business Park, Almondvale Way, Livingston EH54 6GA.

Yours sincerely

ALEX SMITH

ANNEX

ROLE OF AUDIT COMMITTEES IN TACKLING NHS FRAUD

The Audit Committee of each NHSScotland body should ensure that all appropriate counter fraud measures are in place and that they have sight of all reports produced by NHSScotland Counter Fraud Services.

ROLE OF NHS COUNTER FRAUD CHAMPIONS

The list outlined below of the Counter Fraud Champion's roles and responsibilities is not exhaustive but is indicative of the activities which he/she should undertake in order to spearhead changes in culture and attitudes towards NHS fraud within his/her NHS Body.

The NHS Counter Fraud Champion should be a senior executive of the NHS Body, reporting to the accountable officer. A Non Executive Director such as the Chair of the Board's Audit Committee could also take on this role. If this is the case, we recognise that it will be necessary to adapt the activities of the champion which are outlined below. As stated above, however, these activities are indicative only. The Champion will:

- raise the profile of counter fraud initiatives and publicity within their body.
- ensure recommendations from investigation reports by NHSScotland Counter Fraud Services (CFS) are implemented within his/her NHS Body.
- make regular reports and/or presentations to the Audit Committee.
- monitor the degree to which recommendations resulting from investigations by the CFS have been implemented within his/her organisation and take steps to ensure full compliance.
- promote the Fraud Liaison Officer (FLO), where the FLO is a different person, as the point of contact for managers and Human Resources (HR) in relation to reporting suspected frauds.
- with the FLO, (where the FLO is a different person) Head of Communications and Human Resources Director ensure awareness of NHSScotland's counter fraud strategy/policy through Board-wide communications and training.
- work with CFS to deliver counter fraud initiatives suitable for application within their Board.
- set clear guidelines and measures for monitoring the effectiveness of implementation.
- liaise with the Employee Director and Human Resources Director to agree in partnership the most effective mechanisms for raising awareness of the role of CFS and associated issues at a local level, including induction training for new staff and follow-up training for all staff.

FRAUD LIAISON OFFICER (FLO) – Roles and Responsibilities

In fulfilling the requirements of the CFS/NHS Board Partnership Agreement, the roles and responsibilities of the FLO will include:

- working with the counter fraud champion to promote and develop a counter fraud culture with their Board.
- acting as first point of contact in communications relating to specific cases between CFS and their organisation.
- receiving information about suspected frauds within their organisation from staff or others and passing such information to CFS, including the year end summary of all Board fraud cases regardless of how they were managed.
- notifying CFS of any suspected case of fraud within 2 working days of establishing the facts that give reasonable grounds for suspecting fraud.
- in all cases involving alleged employee fraud, working with the HR lead for the case to ensure that appropriate actions are followed.
- developing distribution network(s) within their organisation for receipt of information and quarterly/ad hoc reports from the CFS,
- ensuring that their Audit Committee (usually through the Counter Fraud Champion) and relevant Appointed Auditor is informed of the status of all current investigations,
- liaising with their organisational media officer, NHS National Services Scotland media officer and the CFS media officer regarding any press enquiry about a fraud case,
- participating in national risk assessment on the likelihood of fraud occurring within different health service disciplines,
- participating in national discussions with other Fraud Liaison Officers and the CFS on the development and revision of operational protocols,
- contributing to the fraud intelligence network through the supply of local knowledge.
- assisting CFS in obtaining locally held records for investigations into suspected frauds.
- nominating (and notifying the CFS) of a designated deputy.